

CITY OF NEW HAVEN
JUSTIN M. ELICKER
MAYOR
GAGE FRANK
Director of Communications

165 CHURCH ST. NEW HAVEN, CT 06510 O: (203) 946-4933 C: (203) 725-4249

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#### FOR IMMEDIATE RELEASE

## **COVID-19 Property Tax Relief Programs Reinstituted for January Tax Bills**

NEW HAVEN, Conn. – Today the City of New Haven Office of the Tax Collector reminded residents of property tax relief programs for residents per Governor Ned Lamont's Executive Order 9R. Signed on December 16, 2020, this executive order extends the two property tax relief programs previously available to eligible taxpayers, businesses, nonprofits, and residents who had been economically affected by the COVID-19 pandemic. The two programs are the Tax Deferment Program and the Interest Rate Reduction Program. These programs apply ONLY to the deadlines for tax bills that become due and payable on January 1, 2021.

# Tax Deferment Program: Available by application for eligible taxpayers. Application due by February 1, 2021

The effect of this program is the equivalent of an extended grace period. The due date of the tax bill is still January 1, 2021. Instead of the last day to pay being February 1, 2021, the last day to pay will be extended to April 1, 2021. All taxpayers approved for the Tax Deferment Program must make payment no later than April 1<sup>st</sup>, or interest will be charged at the statutory rate of 1.5% per month, retroactive to January 1, 2021.

This program is offered to "eligible taxpayers" as defined below by the State of Connecticut, Office of Policy and Management via application submitted online:

To access the Tax Relief Deferral Program Application Follow this Link

## For Residents:

Resident has suffered a reduction in income of at least 20% due to COVID-19 and since April 1, 2020, has been either:

- 1. Furloughed without pay
- 2. Work hours significantly reduced
- 3. Unemployed

## For Business/Non-Profit:

Revenue expected to decrease at least 30% in the October 2020 to January 2021 period versus October 2019 to January 2020 period.

## **Landlord Eligibility under the Deferment Program:**

In order for landlords (or any taxpayer that rents or leases property to tenants or lessees) to be eligible for the Deferment Program, they must provide the Tax Collector with documentation that either the parcel has or will suffer significant income decline, or that commensurate forbearance has been offered to their tenants or lessees.

Commensurate forbearance means:

- (1) a deferral of 25% of rent for ninety (90) days after its due date;
- (2) a deferral of one month's rent to be paid over the ninety (90) day period; or
- (3) forbearance substantially similar to (1) or (2) as determined by the Tax Collector.

The landlord must provide documentation evidencing proof that the tenants or lessees have received forbearance or that the landlord has actively offered forbearance to the tenants or lessees.

## **Interest Rate Reduction Program:**

There is no application or eligibility requirements (except for landlords-see below) for the Interest Rate Reduction Program. This program provides for a reduced interest rate for a period of 3 months on the following:

Tax Bills due January 1, 2021

The last day to pay without interest will still be February 1, 2021. Any payment made between February 2 and March 31 will be subject to interest at the reduced rate of .25% per month.

Any payments made on or after April 1, 2021 will be subject to interest at the statutory rate of 1.5% per month, retroactive to January 1, 2021.

## **Landlord Eligibility under the Interest Rate Reduction Program:**

No formal application is required. However, similar to the Tax Deferment Program, in order for landlords (or any taxpayer that rents or leases property to tenants or lessees) to be eligible they must provide the Tax Collector with documentation that commensurate forbearance has been offered to their tenants or lessees).

Commensurate forbearance means:

- (1) a deferral of 25% of rent for ninety (90) days after its due date;
- (2) a deferral of one month's rent to be paid over the ninety (90) day period; or
- (3) forbearance substantially similar to (1) or (2) as determined by the tax collector.

The landlord must provide documentation evidencing proof that the tenants have received forbearance or that the landlord has actively offered forbearance to the tenants or lessees.

## **Escrow Payments:**

Escrow agents are still expected to remit tax payments on behalf of their customers according to the regular timetable, that is, by February 1st.

## Other Ways to Pay Your Taxes:

**Drop box:** Given the public health emergency of the COVID-19 pandemic the Tax Office has recently set up a drop box for payments located at the 1<sup>st</sup> Floor of 165 Church Street. The drop box **SHOULD NOT** be used for cash payments. Only money orders, certified, or personal checks.

**Online:** pay your taxes online by following this link.

Questions related to the deferral program should be sent to <u>TaxDeferral@NewHavenCT.gov</u>, or call (203) 946-6413 during regular business hours (Monday through Friday 9AM to 5PM).

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165 Church Street, New Haven, CT 06510